

***TESTIMONY***

***OF***

***RICHARD P. HOMRIGHAUSEN  
MAYOR, CITY OF DOVER, OHIO***

***REGARDING***

***THE KYOTO GLOBAL WARMING TREATY'S IMPACT ON  
OHIO'S COAL DEPENDENT COMMUNITIES***

***PRESENTED TO***

***THE UNITED STATES HOUSE OF REPRESENTATIVES  
HOUSE COMMITTEE ON RESOURCES***

***AT A***

***COMMITTEE FIELD HEARING***

***HELD IN***

***ST. CLAIRSVILLE, OHIO***

***MAY 13, 2003***

TESTIMONY BEFORE THE  
HOUSE COMMITTEE ON RESOURCES  
PRESENTED BY  
MAYOR RICHARD P. HOMRIGHAUSEN  
CITY OF DOVER, OHIO  
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TESTIMONY

Good morning, Chairman Pombo, Congressman Ney and members of the Committee, my name is Richard P. Homrighausen, and I am the Mayor of the City of Dover, Ohio. As a mayor from a small industrial community located approximately 60 miles northwest of this hearing site., I am honored to have the opportunity to testify before you today.

As a small-town mayor, the local municipal utility operator of a small coal-fired power plant, an active participant in electric generation projects, both fossil fuel and renewable energy in the form of a Landfill Gas Project, through AMP-Ohio, and as President of the Ohio Municipal Electric Association, I know both the value that citizens have received from the passage of the Clean Air Act and its amendments, as well as the hardships imposed by inflexible regulation. Although the discussion of the Clean Air Act does not fall under the jurisdiction of this committee, I see far too many similarities between the Clean Air Act and the Kyoto Global Warming Treaty, which is the topic of today's hearing. Because of these similarities, and the drastic effect the enactment of this treaty would have on the industrial Midwest, I sincerely appreciate this opportunity to provide our perspective on this issue.

Under the Clean Air Act, tremendous improvement has been made in air quality. As a local official, I must emphasize that these accomplishments were realized largely through the efforts of state and local governments through innovative development and implementation of the SIP (State Implementation Plan) program. However, in the middle of the game, not only were the rules changed, but the EPA took its ball and moved the field of play to another stadium. Its proposals on the enactment of new Ozone and PM<sub>2.5</sub> standards were not, and are not, based upon sound science. The lack of sound science in the regulation of these aspects of the Clean Air Act mirrors the flawed scientific premises underpinning the Kyoto Protocol.

If we, as a nation, are to safeguard the future of our world and the environment we live in, steps must be taken to insure we are heading in the right direction. It is imperative that all decisions regarding the enactment of standards to regulate air – specifically tropospheric ozone, particulate matter, carbon monoxide, carbon dioxide, methane, nitrogen oxides, mercury, sulfur dioxides and chlorofluorocarbons – be based on sound science. Federal laws and regulations that are not based upon sound science may do little or nothing to stabilize the atmosphere, but could have drastic impacts on our economy.

Based on what I've read and heard, I am concerned that if the United States were to ratify the

Kyoto Protocol, the resultant negative economic impacts associated with our compliance would ripple across the nation in the form of increased electric rates, increased prices for consumer goods and services, and lost jobs. I find this even more alarming since Kyoto Protocol may not result in less greenhouse gas emissions worldwide. What will be gained if all of the so-called industrialized nations are mandated to reduce their greenhouse gases by 30 percent, while at the same time some 130 developing nations are given exemptions? A prime example is Mexico. Under the Kyoto Protocol, Mexico is exempted. How soon we forget the mass exodus of U. S. industrial jobs to Mexico. Does anyone believe these industrial processes and the jobs associated to them are being performed without emissions?

As previously mentioned, it's important to assess the potential impacts of the Kyoto Protocol in the U.S. in the context of the current Clean Air Act requirements. Such a review raises serious concerns.

POINT 1: Costs are already increasing

We have seen electricity costs in the wholesale market rise in recent years. Although a portion of this increase can be attributed to transmission costs, environmental compliance issues and fuel costs are also important factors. Many Ohio electric generating plants have attempted to mitigate the cost of meeting emission reduction requirements by switching to the use of out-of-state low sulfur coal. The move to low sulfur coal, which must be transported to Ohio facilities, has impacted our economy in two ways – increased fuel costs and reduced demand for Ohio coal. I can only believe that ratification of the Kyoto Protocol would exacerbate this situation.

POINT 2: Increased electricity rates impact customers

Customers bear the brunt of increased electric rates both in the cost of power and in what they pay for consumer goods and services. For instance, water and sewer plants rely on electricity for their operation – therefore, increased electric costs would increase what consumers pay for their water and sewer service. This is just one example of the trickle down impacts of increased energy costs.

POINT 3: Natural gas is not a viable alternative

Over the past several years the cost of natural gas has become increasingly volatile. A combination of factors, including colder-than-normal winters, governmental restrictions on drilling and market manipulation by natural gas suppliers has resulted in depleted gas reserves. As such, we have seen the cost of natural gas skyrocket at critical usage times, thereby limiting natural gas as a viable alternative to coal generation.

POINT 4: Current Clean Air Act Regulation and the Kyoto Protocol seriously threaten Ohio's economy

Affordable electricity generated in the State of Ohio is reliant upon the use of low-cost high sulfur coal. New clean coal technology has and is being developed which will reduce the emissions from Ohio coal and we look forward to the day that such technologies are commercially proven and affordable. Clearly, the future viability of Ohio's coal resources is important to our state's economy. As such, we question what the outlook would be for Ohio's coal industry if the impact of the Kyoto Protocol were combined with the challenges already confronting the industry under current Clean Air Act regulations. Will an entire economy wither

*away and die? How many jobs will be lost due to the closing of Ohio coal mines? How many workers will move out of state in an effort to support their families? How many industries will leave Ohio due to increased utility costs?*

**SUMMATION:**

*Add to the previous four concerns the fact that the stock market has performed poorly for several years. That many of our senior citizens' retirement plans have deteriorated to the point of no return and some are looking to re-enter the job market to provide for daily necessities. That Ohio's method of school funding has been ruled unconstitutional. That school levies are failing across the state and even the wealthiest school districts are experiencing budgetary shortfalls. That prescription drugs and basic health care costs are skyrocketing. The cost of consumer goods seems to rise on a daily basis. And, that the federal government enacts unfunded mandates to be passed on to the states, which in turn passes them on to the local level.*

*I believe that ratification of the Kyoto Protocol would have a disastrous impact on the economy of my city, the state of Ohio and the entire country. I urge this Congress and the Administration to oppose all efforts towards ratification of the Kyoto Protocol or any legislation that seeks to implement the basic tenets of the Protocol, including mandatory caps on CO2 emissions.*

*Again I want to thank you for this opportunity to voice my opinion and my concerns regarding the Kyoto Protocol. I look forward to answering any questions you might have.*